



QUESTION 5

Are Kentucky's people, communities, and economy benefiting?

Postsecondary education can and must play a central role in transforming Kentucky's economy and quality of life.

Through expanded research and development, faculty and staff expertise, and the commercialization of research, colleges and universities spur economic growth and development. But just as importantly, our institutions produce individuals committed to the social and cultural welfare of their communities. The Commonwealth needs globally competitive companies that invest in individuals and communities in every region of the state. We also need communities that embrace art, literature, music, dance, and theater, because they reflect and enrich the spirit of Kentucky's people. Postsecondary institutions must do their part by being good "stewards of place," working with community leaders to advance economic, social, and environmental progress.

While the Commonwealth has taken significant steps to improve the competitiveness of Kentucky's economy, Kentucky's ratings on the Corporation for Enterprise Development (CFED) report card have not changed much in 15 years:

"We are making progress, but so is everybody else . . . This is like a race, and we're at the back of the pack, and everyone else ahead of us is picking up speed. We have to take extraordinary steps if we are going to enhance our competitive position."

*Kris Kimel, President
Kentucky Science and Technology
Corporation*

Federal research and development dollars per capita increased 92 percent from 1996 to 2002, the fifth-highest percentage increase in the nation for that time period. On this measure, Kentucky moved from 45th to 42nd in the nation.

The Bucks for Brains program has dedicated \$700 million to support research and academic programs at the public universities; the number of endowed chairs is up from 55 in 1997 to 187 in 2004, and professorships rose from 53 to 261.

Since 2001, nearly 128,000 employees upgraded their skills through workforce education funded by Kentucky Adult Education and its Workforce Alliance initiative.

Kentucky's per capita income increased from 79 percent in 1990 to 84 percent of the U.S. average in 2000.

PROGRESSES

CHALLENGES

Kentucky currently ranks 42nd in the nation in the amount of federal research and development dollars generated.

In 2000, Kentucky had a per capita personal income of \$26,352, which ranked 41st in the U.S.

Kentucky earned a "D" in economic performance, a "D" in development capacity, an "F" in financial resources, and a "C" in business vitality, according to ratings assigned by the National Corporation for Enterprise Development in 2004.

From 1995-2000, 17,584 baccalaureate recipients ages 22-29 left the state while 16,186 moved to Kentucky, resulting in a net loss of nearly 1,400 college-educated, young adults.

How We Get to Yes

- Greater emphasis on the role of postsecondary institutions as “stewards of place” that partner with business, civic, and P-12 communities to solve local, regional, and state problems.
- Stronger relationships with economic development partners to develop, attract, and keep jobs that will enable Kentucky to compete in the global economy and retain and recruit more college-educated workers.
- Expanded research capacity directed at the state’s priority research and economic development areas.
- Greater efforts to attract more research dollars to Kentucky.
- The transfer of research and technology to applications that lead to economic growth, job creation, and improved quality of life.
- More adults earning workforce education certificates through expanded marketing to employers and employees. Better coordination of workforce training activities and resources across state cabinets and agencies.
- Larger numbers of college graduates remaining in Kentucky to work and contributing to the economic and social well-being of the state.

